

GOVAFFAIRS

GENERAL LEGISLATIVE MATTERS



TRANSPORTATION FINANCING

SCAG's RTP proposal for revenue-backed transportation projects has gained legislative support during the past month. At the state level, several members of both houses have signed on to the SCAG-sponsored initiative, AB3048, authored by Assembly member Jenny Oropeza. AB 3048 provides

Continued on Page 2 Sidebar

For more information about the legislative program, please contact Donald Rhodes, Manager of Public and Government Affairs at 213.236.1840 or rhodes@scag.ca.gov.



TEA-21 Reauthorization Conferees Begin Work

On June 9, 2004, the transportation bill conference committee completed its first session by considering and approving a number of non-controversial items included in both House and Senate language to be attached to the final conference report. No action has been taken by the conferees to reconcile how much it will cost. The Senate's \$318 billion Safe Accountable Flexible and Efficient Transportation Equity Act (SAFETEA) and the House's \$284 billion Transportation Equity Act Legacy for Users (TEALU), are both significantly higher than the President's proposed \$263 billion SAFETEA.

On May 20, the U.S. Senate gave its approval to the appointment of 21 Senators, including Senator Barbara Boxer (CA), to negotiate with House transportation leaders over the details of TEA-21 Reauthorization legislation. On June 3rd, the House announced the appointment of its 52-member delegation. California members from the House include the following Representatives: Gary Miller (Diamond Bar), Bob Filner (San Diego), George Miller (Martinez), Henry Waxman (Los Angeles), Bill Thomas (Bakersfield) and Richard Pombo (Tracy). Until this conference committee completes its work on the Reauthorization of TEA-21, transportation agencies continue to operate under an extension of current law and appropriations levels for the current fiscal year. This third extension will expire June 30.

State Budget / May Revision Released

The constitutional deadline for California lawmakers to pass the State budget was June 15th. Although this deadline was missed, legislators are moving toward completion of the budget by July 1, 2004, the start of the new fiscal year.

The Governor's May Revision of the Budget was released on Thursday, May 13th. The Revision included several transportation highlights including a transfer of \$383 million in monies generated from negotiations with the Tribal Governments to the Transportation Congestion Relief Fund. Of the \$383 million, the Governor proposed using \$163 million for existing TCRP obligations, \$184 million to the State Highway Account for the STIP and \$36 million to be designated for the Public Transportation Account. The Administration, with the county transportation commissions, will review and prioritize TCRP projects based on three criteria: job creation, goods movement and leveraging of local and federal funds. The proposed suspension of the TCRP has been converted to a loan due in 2007-08.

SPECIFIC ISSUES/BILLS

The Regional Council adopted positions on the following bills in May and June:

AB 2158 (Lowenthal) Housing Elements: Regional Housing Need – SUPPORT

Relates to city, county or city and county general plan housing elements. Revising procedure for determining shares of the existing and projected regional housing needs for cities, counties and subregions at all income levels. SCAG participated in a working group on RHNA reform.

Continued on the bottom of Page 2

SEE OUR LOBBYISTS' UPDATE ON PAGE 2 OF THIS REPORT



TRANSPORTATION FINANCING CONTINUED

for user-supported, private sector-backed transportation projects. Complimenting this bill at the Federal level are proposals for tax credit financing and Transportation Infrastructure Finance and Innovation Act (TIFIA) loan guarantees during the developmental phases of projects.

LOBBYISTS' UPDATE

From The C2 Group

House and Senate conferees met for the first time on June 9th to begin negotiations on the transportation reauthorization bill. Conferees are scheduled to reconvene on June 23 to reconcile other policy differences in the bill. In the meantime, Congress must act prior to June 30, the current expiration of surface transportation programs, to keep highway and transit programs operational. Currently, staff has indicated that there is a potential two-month extension agreement in negotiation; however, there is the potential of an extension into the next fiscal year, which would provide additional time for Congress and the Administration to reconcile differences. SCAG's Washington office continues to meet with House and Senate authorizing staff to ensure that any final bill includes SCAG's reauthorization consensus principles and authorization language for the magnetic levitation deployment program. Already included in the House bill are member high-priority projects. The Southern California region received approximately \$55.4 million in project earmarks. In addition to the earmarked projects, language was included in both the Senate and House bill to reauthorize the MAGLEV program. The House bill also includes a provision that ensures funding made available to states for distribution to MPOs is done within 30 days.

From Bauer Government Relations

SCAG's legislative activities in Sacramento have dramatically increased as the legislative session has progressed. Our meetings with legislators and key Administration officials raised the profile of the State's transportation funding needs. Governor Schwarzenegger responded by increasing transportation funding in his May Revise and furthering that commitment when additional Indian gaming revenues became available.

The recently adopted Regional Transportation Plan (RTP) is contingent on increased funding for the Region. We are vigorously pursuing enactment of legislation to utilize the design-build methodology of transportation project development. Using the design-build methodology (combined with revenue-generating projects) will bring private capital to enhance public funding for goods movement infrastructure. Our efforts on the design-build legislation have elevated the issue to the highest levels of state government. Over the course of the past month, we have been meeting with Legislative leaders and interest groups to push design-build legislation forward. Soon, a conference committee will convene to begin to draft legislation to address these important matters. We have a seat at the table to work with those legislators and staff that have been charged with making this process a reality. SCAG will play a central role in the development of the bill language considered by the conference committee. Sacramento is taking notice of the RTP and the funding needs and programmatic changes necessary to implement the Regional Council's action.

SPECIFIC ISSUES/BILLS *continued*

AB 2348 (Mullin) Housing Element: Regional Housing Need – SUPPORT

Revises the criteria for the inventory of sites that can be developed or housing within the planning board of the general plan to accommodate that portion of a city's or county's share of regional housing need for all income levels. This bill was also a result of the working group on RHNA.

AB 2702 (Steinberg) Housing: Second Units – OPPOSE

Provides that a local agency may not preclude or effectively preclude second units unless the local agency makes findings on substantial evidence.

AB 2628 (Pavley) HOV Lanes – OPPOSE

Includes a 2004 model year ultra-low emission vehicle and a hybrid vehicle that meets the State's advanced technology partial zero emission vehicle standard to the list of vehicles that can use HOV lanes.